

AGREEMENT FOR LODGING TAX (CIVIC IMPROVEMENT) FUNDS

THIS AGREEMENT FOR LODGING TAX (CIVIC IMPROVEMENT) FUNDS

("Agreement") is entered into the date written below between the City of Bainbridge Island, a Washington state municipal corporation ("City"), and Bainbridge Island Historical Museum, a Washington corporation ("Recipient").

WHEREAS, the Recipient submitted a proposal for Lodging Tax/Tourism funds ("Civic Improvement Funds") for supporting the operations of tourism-related facility as described in Attachment A ("Scope of Work"); and

WHEREAS, upon recommendation of the Lodging Tax Advisory Committee and approval by the City Council at their December 13, 2016, meeting, the City has awarded this Agreement to effectuate the scope of work, as described in Attachment A; and

WHEREAS, the Recipient has the expertise and experience to arrange for said services and work and is willing to do so in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, conditions, promises, and agreements set forth herein, it is agreed by and between the City and the Recipient as follows:

1. SERVICES AND WORK BY RECIPIENT

The Recipient shall arrange for the services and work as specified in this Agreement and as necessary to accomplish the scope of work attached hereto as Attachment A and incorporated herein by this reference as if set forth in full. The Recipient shall arrange for all services, labor, and related equipment to conduct and complete the work, except as specifically noted otherwise in this Agreement. The Recipient shall execute this Agreement by March 31, 2017, in order to receive funding, and all goods and services specified in this Agreement shall be provided during calendar year 2017. The scope of work set forth in Attachment A shall also include a project budget for the services and work to be performed for the City under this Agreement.

The Recipient, in its activities and promotional materials, shall acknowledge financial support from the City related to the work and services funded by this Agreement.

2. TERM AND TERMINATION OF AGREEMENT

A. This Agreement shall become effective upon execution by both parties and shall continue in full force until December 31, 2017, unless sooner terminated by either party as provided below.

B. This Agreement may be terminated by either party without cause upon thirty (30) days' written notice to the other party. In the event of termination, all finished or unfinished documents, reports, or other material or work of the Recipient pursuant to this Agreement shall be submitted to the City, and the Recipient shall be entitled to just and equitable compensation at the rate set forth in Section 3 for any satisfactory work completed prior to the date of termination.

3. PAYMENT

A. The City shall pay the Recipient Eight Thousand Dollars (\$8,000) for all services and work performed and all approved expenses incurred for the sole and specific purpose of accomplishing the scope of work, according to the budget provided within Attachment A, in amounts to be billed quarterly.

B. The Recipient shall submit, in a format acceptable to the City, quarterly invoices for services performed in a previous quarter. Each project shall be the subject of a separate invoice. The Recipient shall maintain time and expense records and provide them to the City upon request.

C. The City shall pay all invoices by mailing a City check within sixty (60) days of receipt of a proper invoice from the Recipient.

D. If the services rendered do not meet the requirements of this Agreement, the Recipient shall correct or modify the work to comply with this Agreement. The City may withhold payment for such work until it meets the requirements of this Agreement.

4. REPORT ON EXECUTION OF SERVICES

The Recipient shall submit a report on services and work provided with the final invoice, no later than January 19, 2018. This report should be no longer than five pages, excluding budget detail, and should follow the outline below:

- Summarize the activities undertaken in providing the scope of work described in Attachment A.
- Reference the project objectives specified in Attachment A. Were those objectives achieved? Why or why not? Were there any unexpected positive outcomes or challenges?
- Reference the specific measurable results specified in Attachment A. Were they achieved? If not, what challenges prevented the achievement of the anticipated results?
- Describe involvement of any partners specified in Attachment A, as well as any unexpected cooperative relationships that developed through implementation of the project.
- Reference the project budget specified in the Attachment A. Provide an analysis of actual expenses and income in relation to the projected budget.
- Provide a good faith best-estimate of actual attendance generated by the scope of work in the three categories below:
 - a. Travelers staying overnight in paid accommodations away from their place of residence or business;
 - b. Travelers staying overnight in unpaid accommodations (e.g., with friends and family) and traveling more than 50 miles;
 - c. Travelers for the day only and traveling more than 50 miles.

- Describe the methodologies used to arrive at the good faith estimate of actual attendance numbers described above.

5. INSPECTION AND AUDIT

The Recipient shall maintain all books, records, documents, and other evidence pertaining to the costs and expenses allowable under this Agreement in accordance with generally accepted accounting practices. All such books and records required to be maintained by this Agreement shall be subject to inspection and audit by representatives of the City and/or the Washington State Auditor at all reasonable times, and the Recipient shall afford the proper facilities for such inspection and audit. Representatives of the City and/or the Washington State Auditor may copy such books, accounts, and records if necessary to conduct or document an audit. The Recipient shall preserve and make available all such books of account and records for a period of three (3) years after final payment under this Agreement. In the event that any audit or inspection identifies any discrepancy in such financial records, the Recipient shall provide the City with appropriate clarification and/or financial adjustments within thirty (30) calendar days of notification of the discrepancy.

6. INDEPENDENT CONTRACTOR

A. The Recipient and the City understand and expressly agree that the Recipient is an independent contractor in the performance of each and every part of this Agreement. The Recipient expressly represents, warrants, and agrees that its status as an independent contractor in the performance of the work and services required under this Agreement is consistent with and meets the six-part independent contractor test set forth in RCW 51.08.195. The Recipient, as an independent contractor, assumes the entire responsibility for carrying out and accomplishing the services and work required under this Agreement. The Recipient shall make no claim of City employment nor shall the Recipient claim any related employment benefits, social security, and/or retirement benefits.

B. The Recipient shall be solely responsible for paying all taxes, deductions, and assessments, including but not limited to federal income tax, FICA, social security tax, assessments for unemployment and industrial injury, and other deductions from income which may be required by law or assessed against either party as a result of this Agreement. In the event the City is assessed a tax or assessment as a result of this Agreement, the Recipient shall pay the same before it becomes due.

C. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that the Recipient performs hereunder.

D. The Recipient and any subcontractors shall obtain a business license and, if applicable, pay business and occupation taxes pursuant to Title 5 of the Bainbridge Island Municipal Code.

7. DISCRIMINATION AND COMPLIANCE WITH LAWS

A. The Recipient agrees not to discriminate against any employee or applicant for employment or any other person in the performance of this Agreement because of race, creed,

color, national origin, marital status, sex, sexual orientation, age, disability, or other circumstance prohibited by federal, state, or local law or ordinance, except for a bona fide occupational qualification.

B. The Recipient shall comply with all federal, state, and local laws and ordinances applicable to the work to be done under this Agreement.

C. Violation of this Section 7 shall be a material breach of this Agreement and grounds for cancellation, termination, or suspension by the City, in whole or in part, and may result in ineligibility for further work for the City.

8. OWNERSHIP OF WORK PRODUCT

All data, materials, reports, memoranda, and other documents developed under this Agreement, whether finished or not, shall become the property of the City and shall be forwarded to the City in hard copy and in digital format that is compatible with the City's computer software programs.

9. GENERAL ADMINISTRATION AND MANAGEMENT

The City Manager of the City, or designee, shall be the City's representative, and shall oversee and approve all services to be performed, coordinate all communications, and review and approve all invoices, under this Agreement.

10. HOLD HARMLESS AND INDEMNIFICATION

A. The Recipient shall defend, indemnify, and hold the City, its officers, employees, and volunteers harmless from any and all claims, injuries, damages, losses, or suits, including attorneys' fees, arising out of or resulting from the acts, errors, or omissions of the Recipient in the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

B. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Recipient and the City, its officers, officials, employees, and volunteers, the Recipient's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Recipient's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Recipient's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

C. The City's inspection or acceptance of any of the Recipient's work when completed shall not be grounds to void, nullify, and/or invalidate any of these covenants of indemnification.

D. Nothing contained in this Agreement shall be construed to create a liability or a right of indemnification in any third party.

11. INSURANCE

The Recipient shall maintain insurance as follows:

- ☒ Commercial General Liability as described in Attachment B.
- ☒ Directors and Officers Liability as described in Attachment B.
- ☒ Automobile Liability as described in Attachment B.
- ☒ Workers' Compensation as described in Attachment B.
- ☐ None.

12. SUBLETTING OR ASSIGNING CONTRACT

This Agreement, or any interest herein or claim hereunder, shall not be assigned or transferred in whole or in part by the Recipient to any other person or entity without the prior written consent of the City. In the event that such prior written consent to an assignment is granted, then the assignee shall assume all duties, obligations, and liabilities of the Recipient as stated herein.

13. EXTENT OF AGREEMENT/MODIFICATION

This Agreement, together with attachments or addenda, represents the entire and integrated Agreement between the parties and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended, modified, or added to only by written instrument properly signed by both parties.

14. SEVERABILITY

A. If a court of competent jurisdiction holds any part, term, or provision of this Agreement to be illegal or invalid, in whole or in part, the validity of the remaining provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.

B. If any provision of this Agreement is in direct conflict with any statutory provision of the State of Washington, that provision which may conflict shall be deemed inoperative and null and void insofar as it may conflict, and shall be deemed modified to conform to such statutory provision.

15. FAIR MEANING

The terms of this Agreement shall be given their fair meaning and shall not be construed in favor of or against either party hereto because of authorship. This Agreement shall be deemed to have been drafted by both of the parties.

16. NON-WAIVER

A waiver by either party hereto of a breach by the other party hereto of any covenant or condition of this Agreement shall not impair the right of the party not in default to avail itself of any subsequent breach thereof. Leniency, delay, or failure of either party to insist upon strict

performance of any agreement, covenant, or condition of this Agreement, or to exercise any right herein given in any one or more instances, shall not be construed as a waiver or relinquishment of any such agreement, covenant, condition or right.

17. NOTICES

Unless stated otherwise herein, all notices and demands shall be in writing and sent or hand-delivered to the parties at their addresses as follows:

To the City:	City of Bainbridge Island 280 Madison Avenue North Bainbridge Island, WA 98110 Attention: City Manager
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To the Recipient:	Bainbridge Island Historical Museum 215 Ericksen Avenue NE Bainbridge Island, WA 98110 Attention: Henry Helm
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or to such addresses as the parties may hereafter designate in writing. Notices and/or demands shall be sent by registered or certified mail, postage prepaid, or hand-delivered. Such notices shall be deemed effective when mailed or hand-delivered at the addresses specified above.

18. SURVIVAL

Any provision of this Agreement which imposes an obligation after termination or expiration of this Agreement shall survive the term or expiration of this Agreement and shall be binding on the parties to this Agreement.

19. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

20. VENUE

The venue for any action to enforce or interpret this Agreement shall lie in the Superior Court of Washington for Kitsap County, Washington.

21. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of January 31, 2017.

BAINBRIDGE ISLAND HISTORICAL
MUSEUM

CITY OF BAINBRIDGE ISLAND

By Henry R. Helms
Name Henry R. Helms
Title Executive Director
Tax I.D. 91-1037866

By Douglas Schulze
Douglas Schulze, City Manager

ATTACHMENT A
SCOPE OF WORK

**CITY OF BAINBRIDGE ISLAND
2017 LODGING/TOURISM FUND PROPOSAL
COVER SHEET**

Project Name:

BIHM Continued Added Hours

Name of Applicant Organization:

Bainbridge Island Historical Museum

Applicant Organization IRS Chapter 501(c)(3) or 501(c)(6) status and Tax ID Number:

501 (c)(3) Tax ID 91-1037866

Date of Incorporation as a Washington State Corporation and UBI Number:

1978 UBI Number 601 086 880

Primary Contact:

Henry R. Helm, Executive Director

Mailing Address:

215 Ericksen Ave. NE, Bainbridge Island, WA 98110

Email(s): director@bainbridgehistory.org

Day phone: **206-842-2773**

Cell phone: **206-612-5105**

Please indicate the type of project described in your proposal:

√	Project Type
	Tourism marketing
	Marketing and operations of special events and festivals designed to attract tourists
X	Supporting the operations of a tourism-related facility owned or operated by a nonprofit organization*
	Supporting the operations and/or capital expenditures of a tourism-related facility owned or operated by a municipality or a public facilities district*

*If the proposal requests funds for a tourism-related facility, please indicate the legal owner of that facility:

LODGING/TOURISM FUND APPLICATION

Applicant Information

Please respond to each of these questions in the order listed. If the proposal includes multiple partners, please include the requested information for each organization.

1. Describe the applicant organization's mission, history and areas of expertise. Describe the applicant's experience in tourism promotion on Bainbridge Island and its demonstrated ability to complete the proposed project.

The mission of the Bainbridge Island Historical Museum (BIHM) is to collect, preserve, and foster knowledge of Bainbridge Island history. The museum accepts, documents, preserves, and displays photographs, records and artifacts acquired from Island businesses and residents. BIHM supports historic preservation in the community by supporting the city's Historic Preservation Commission, maintaining and storing the city's historic property inventory and by encouraging property owners to preserve the unique history of their sites and structures.

Our expertise in tourism operation and expansion is demonstrated by the ever increasing numbers of people attracted to the museum through its semi-permanent exhibit and its temporary exhibits as well as other programs and activities offered by the museum. Not only do the numbers demonstrate this, but the awards the Museum has received are ample proof that we excel in this regard. (see below for visitor numbers)

Tourists are such an important constituency that BIHM raised more than one-half million dollars to move the historic schoolhouse in 2004 from a remote park, inaccessible by public transportation, to within walking distance of the ferry dock in Winslow and within two blocks of Highway 305.

Since that move in 2004, our visitor numbers have been steadily increasing. Most of the increase can be attributed to tourist visitation. Easy access, facility improvement, and new exhibits since 2004 have made the museum a major draw for visitors from near and far.

The museum has demonstrated its significance and expertise by garnering the following awards during the past four years:

2012 – Washington Museum Association Award of Project Excellence for “Once Upon a Time – History Day Camp”

2012 – Washington Museum Association Award of Exhibit Excellence for “It's About Time” (Bainbridge Island history timeline on the south exterior wall of the museum)

2013 – Washington Museum Association Award of Exhibit Excellence for “The Overland Westerners”

2013 – Washington Museum Association Award of Individual Excellence for Executive Director Hank Helm

2013 – WSA 110 Certificate of Merit for Community Leadership “Education and Young People”

2014 American Association for State and Local History Award of Exhibit Excellence for “The Overland Westerners” (The only award for Exhibits in Washington)

2015 Washington Museum Association Award of Exhibit Excellence for our “Walkway Through History” exhibit in the Ferry Terminal. This is the 5th consecutive year for the Museum to win this Award

Along with the awards and recognition has come publicity. This has included major articles in the Kitsap Sun, Bainbridge Review, Seattle Times, Northwest Asian Weekly and New York Times. Other papers have featured the museum as well. The publicity has led to significantly increased visitation and has drawn tourists from around Washington, other states and foreign countries as well.

Alternate question for event or facility funding:

Describe the event or facility proposed including its purpose, history, and budget. Include past attendance history if applicable, and estimate the number of tourists drawn to the event

LODGING/TOURISM FUND APPLICATION

or facility/year. Please estimate total attendance and number of tourists estimated to attend for 2017. How has the activity been promoted in the past (if applicable) and what promotion is planned for 2017? **See Below.**

2. If appropriate, please identify the project partner(s) and briefly describe the involvement of each. Please note that the maximum award of \$100,000 will apply to any single project, even if proposed by a team of partners. **n/a**

3. If appropriate, please list each project and amount of funding awarded and utilized from the Lodging Tax (Civic Improvement) Fund within the last five years (2011-2016).

2012	BI Historical Museum Added Hours	\$14,625
2013	BI Historical Museum Added Hours	\$7,312
2014	BI Historical Museum Added Hours	\$12,000
2015	BI Historical Museum Added Hours	\$12,000
2016	BI Historical Museum Added Hours	\$12,000

4. If any projects previously funded through the Lodging Tax (Civic Improvement) Fund were not completed and/or if reports were not submitted to the City as requested, please explain: **n/a**

LODGING/TOURISM FUND APPLICATION
Project Information

1. Describe the proposed project.

- a. Identify the Project's main objectives and how each will be achieved.
The objective is to keep the museum open for the increased hours; seven days per week from 10 am until 4 pm every day of the year. We also expect to demonstrate the number of nightly stay-overs as indicated in our guest log. The grant would insure that we are adequately staffed during all open hours including weekends. The grant would pay for our Volunteer Coordinator to schedule and be responsible for the seventh open day plus the added open hours each week.
- b. Be as specific as possible about the proposed services, measurable impacts, distribution method and costs.
The proposed service is tourist access to the museum as noted in a. The measurable impacts will be the records kept of visitors and statistics from our visitor register. We believe we document visitor information as well as, or better than, any other island tourist facility.
- c. If appropriate, provide details about the facility operating costs to be funded.
We currently have no capital budget. Please see attached for operating budget and costs. Also please see our prior year annual report which is attached. The specific operating costs requested are detailed in the budget under item 2 below.

2. Provide a brief narrative statement to address each of the stated selection criteria. Describe outcomes anticipated from each criterion, as well as the overall project.

- a. Expected impact on increased tourism in 2017. Please provide specific estimates of how the project will impact the number of people traveling to Bainbridge Island from fifty miles or more one way from their place of residence, or travelling from another country or state outside of Washington State. If appropriate, compare/contrast this impact to actual or estimated number of tourists at your event/facility in 2015 and estimates for 2016.
When the Museum increased visitor hours and opened new exhibits in 2011, visitation increased by 48%. (See visitor statistics history in 2015 Annual Report page 3.) Maintaining those increased hours enabled continued attendance growth in both 2013 and 2014. In 2015 visitation leveled off (14,516 in 2015, compared to 14,866 the previous year). Through the end of August 2016 we have received 10,107 visits, close to the 10,437 visits for the same period in 2015. We are mounting a major new exhibit in the early fall, and we anticipate this will bring our final visitor tally to at least 2015 levels. The measurable outcome for 2017 will be actual, recorded visitation records.
- b. Expected impact on or increase in overnight stays on the island. Please include actual or estimated numbers of tourists who will stay overnight in paid accommodations in Bainbridge lodging establishments in 2017 as a result of proposed activities. Please include the basis for any estimates.
Through the end of August, for 2016, the Museum had 2,555 visitors from Washington residents who did not live on Bainbridge (a 4% increase over the same period in 2015), 3,967 from other states (14% increase), and 942 overseas visitors (a 3% decrease). During this period, 432 visitors made an overnight stay, up slightly from the 405 in 2015. We

LODGING/TOURISM FUND APPLICATION

therefore expect our 2016 year-end total of overnight stays to equal or exceed the 539 we recorded in 2015. 2017 outcomes will be measured by actual visitation statistics.

- c. Projected economic impact on Bainbridge Island businesses, facilities, events and amenities, including sales of overnight lodging, meals, tours, gifts, and souvenirs (helpful data may be found on the Washington State Department of Commerce website).

There is no direct information or data that allows us to measure economic impact. Indirect and anecdotal information from visitors as well as comments in our guest book tell us there is a significant impact. Visitors frequently ask docents for recommendations on shops and restaurants. We consistently give suggestions of routes to take and how to see the Winslow area as well as other areas on the island (like nurseries, motels, parks, etc.). Where possible, we assist visitors without cars to call for BI RIDE buses. Our docents serve as good-will ambassadors.

We work closely with the Bainbridge Island Japanese American Community and the Bainbridge Island Japanese American Exclusion Memorial Association to coordinate tours and visits to the Japanese American Exclusion Memorial. We are the contact for phone inquiries about the Memorial. As part of our mission we also coordinate tours and visits for school and other groups to the Day Road Farms. Many of these groups are from Seattle, the University of Washington, Japan and other areas. We know that these activities have a direct economic impact.

The museum functions as a *de facto* visitor center. We have people inquire where the Art Museum and Children's Museum are located, if there is a waterfront trail, where to buy ice cream, souvenirs, etc., and they especially appreciate our immaculate bathrooms! We hand out many island maps, walkabout guides and ferry schedules as well as the Driving Tour and Walking Tour brochures produced by the Bainbridge Island Historical Museum (revised and updated in 2013). We have a large copy of the Chamber of Commerce map of the island mounted in the museum to point out locations of interest on the island as a direct result of inquiries.

To obtain a sense of the impact of the museum, and learn more about the island, we invite the LTAC committee to visit the museum, either as a group or individually. Our Executive Director will be happy to provide a personalized tour!

- d. The project's potential to draw visitors to the Island and increase overnight stays during the off-season, i.e. October 1 until Memorial Day.

Please see the attached visitation graph showing the number of off-season visitors for the previous five seasons. This number has increased each year, though it is leveling off. Historically, more than 50% of annual visitation to the Museum has been between Labor Day and Memorial Day

- e. The applicants' demonstrated history of organizational and project success.
The best demonstration of history of success is that the museum has been in existence since 1948 and its incorporation in 1978! The growth in visitation, particularly since 2012, demonstrates the success of the funding provided by the LTAC grants for additional hours.

- f. Describe any partnerships with other organizations and businesses in the proposed project – including efforts to minimize duplication of services where appropriate and encourage cooperative marketing.

We have no specific partnerships for this application, however we partner with numerous

LODGING/TOURISM FUND APPLICATION

organizations on a regular basis.

We are members of the Chamber of Commerce and of the Downtown Association. We act as the clearing house and reference location for docents at the Bainbridge Island Japanese American Exclusion Memorial. The National Park Service passport stamp for visitors to the Memorial is maintained at the Museum. The National Park Service Ranger for the Memorial uses the museum as his off-site office location. We distribute maps of how to get to the Memorial and facilitate visits. Our phone number is listed for information about the Memorial. Our exhibits give additional information about this important part of Bainbridge history. The Executive Director of the Museum is a member of the Board of Directors of the Bainbridge Island Japanese American Exclusion Memorial Association. We work closely with the Bainbridge Island School District, local private schools, IslandWood, The Library, Arts and Humanities Bainbridge, the Senior Center, and Global Source Education. We contribute historically-themed signage to the Ferry terminal and several downtown locations.

- g.** Describe the degree to which the project goals and/or results can be objectively assessed.

Measurable outcome will be actual recorded visitation records

- h.** Describe the degree to which the project will leverage award funds with additional matching funds or donated in-kind goods or services.

Please see the project budget under Item 2., below, which shows the additional funding anticipated and the matching funds, which includes in-kind contributions. We are providing a five-fold match.

LODGING/TOURISM FUND APPLICATION **Supporting Documentation**

1. Provide a project timeline that identifies major milestones.
Upon notice of funding, we would continue the hours we have maintained during the past three years. We will continue to have a paid staff member at the museum for seven hours each weekend.
2. Include a detailed budget for the proposed project itemizing expenses and income. Include the amount requested from the Lodging Tax Fund and identify other sources of funding anticipated or obtained, including matching funds, as well as any in-kind contributions necessary to complete the project.

Direct Costs being applied for

10.778 hr. per week @ \$13.00/hr X 52 weeks	= \$7,286
Payroll taxes for above (9.8%)	= \$714
<u>TOTAL</u>	<u>= \$8000</u>

Matching costs and in-kind contributions by Museum

Volunteers (8 shifts @ 3 hr. ea. @ \$23.07/hr) x52	= \$28,791
Curator support 5 hr. per wk.@ \$21.28/hr	= \$5,533
Exec. Dir. support 1.5 hr. per wk.@25.76/hr	= \$2,009
Additional overhead cost (electrical, water, supplies, etc.)	= \$3,750
Payroll taxes on Museum match	= \$739
<u>TOTAL</u>	<u>= \$40,822</u>

TOTAL PROJECT COST = \$48,822

3. If applicable, please describe the project's scalability. How would the project scope and budget be adjusted should the full amount of the LTAC funding request not be awarded? Please provide specifics. **If this information is not provided, the award committee will not consider alternative levels of funding.**
 Should LTAC funding request not be awarded, the BIHM board would have to decide whether to reduce hours of operation. This would depend on the actual amount received and the willingness and ability of the board to increase fundraising efforts. For the last few years, the BIHM board has assumed responsibility to replace funding that used to come from the city through grants administered by Bainbridge Island Arts and Humanities Council; as recently as 2008, this amount was \$36,625. Please see budget and expense exhibits for amounts raised through various fundraising activities which accounts for a large portion of the museum's annual budget.
4. Provide copies of your organization's 2015 income/expense summary and 2016 budget.
See attached
5. Provide an estimate of 2016 revenue and expenses.
See attached
6. Letters of Partnership – Include letters from any partnering organizations committing to joint sponsorship of the application and specifying their intended activities.
See attached letter of support

ATTACHMENT B
INSURANCE REQUIREMENTS

A. Insurance Term

The Recipient shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Recipient, its agents, representatives, or employees.

B. No Limitation

The Recipient's maintenance of insurance as required by the Agreement shall not be construed to limit the liability of the Recipient to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

C. Minimum Scope of Insurance

The Recipient shall obtain insurance of the types and coverage described below:

1. Automobile Liability insurance covering all owned, non-owned, hired, and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage.
2. Commercial General Liability insurance shall be at least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, stop-gap liability, independent contractors, and personal injury and advertising injury. The City shall be named as an additional insured under the Recipient's Commercial General Liability insurance policy with respect to the work performed for the City using an additional insured endorsement at least as broad as ISO CG 20 26.
3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
4. Directors and Officers Liability insurance coverage.

D. Minimum Amounts of Insurance

The Recipient shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.

3. Directors and Officers Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

E. Other Insurance Provision

The Recipient's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain, that they shall be primary insurance as respect the City. Any insurance, self-insurance, or self-insured pool coverage maintained by the City shall be excess of the Recipient's insurance and shall not contribute with it.

F. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

G. Verification of Coverage

Before commencing work and services, the Recipient shall provide to the person identified in Section 9 of the Agreement a Certificate of Insurance evidencing the required insurance. The Recipient shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Recipient before commencement of the work. The City reserves the right to request and receive a certified copy of all required insurance policies.

H. Notice of Cancellation

The Recipient shall provide the City with written notice of any policy cancellation within two (2) business days of their receipt of such notice.

I. Failure to Maintain Insurance

Failure on the part of the Recipient to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five (5) business days' notice to the Recipient to correct the breach, immediately terminate this Agreement or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Recipient from the City.

J. City Full Availability of Recipient Limits

If the Recipient maintains higher insurance limits than the minimums shown above, the City shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Recipient, irrespective of whether such limits maintained by the Recipient are greater than those required by this Agreement or whether any certificate of insurance furnished to the City evidences limits of liability lower than those maintained by the Recipient.



CERTIFICATE OF LIABILITY INSURANCE

BAINB-3

OP ID: ST

DATE (MM/DD/YYYY)

01/31/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Bainbridge Insurance Agency PO Box 10698 724 Ericksen Ave NE Suite 201 Bainbridge Island, WA 98110 Todd Hall	CONTACT NAME: PHONE (A/C, No, Ext): 206-842-2644 FAX (A/C, No): 206-842-9326 E-MAIL ADDRESS:														
INSURED Bainbridge Historical Society 215 Ericksen Ave NE Bainbridge Isl, WA 98110	<table border="1"><thead><tr><th>INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr></thead><tbody><tr><td>INSURER A : American States</td><td></td></tr><tr><td>INSURER B : Great American</td><td></td></tr><tr><td>INSURER C :</td><td></td></tr><tr><td>INSURER D :</td><td></td></tr><tr><td>INSURER E :</td><td></td></tr><tr><td>INSURER F :</td><td></td></tr></tbody></table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : American States		INSURER B : Great American		INSURER C :		INSURER D :		INSURER E :		INSURER F :	
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COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS														
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	X		01-CI-275829-8	10/17/2016	10/17/2017	<table border="1"><tr><td>EACH OCCURRENCE</td><td>\$ 1,000,000</td></tr><tr><td>DAMAGE TO RENTED PREMISES (Ea occurrence)</td><td>\$ 1,000,000</td></tr><tr><td>MED EXP (Any one person)</td><td>\$ 10,000</td></tr><tr><td>PERSONAL & ADV INJURY</td><td>\$ 1,000,000</td></tr><tr><td>GENERAL AGGREGATE</td><td>\$ 1,000,000</td></tr><tr><td>PRODUCTS - COMP/OP AGG</td><td>\$ 1,000,000</td></tr><tr><td></td><td>\$</td></tr></table>	EACH OCCURRENCE	\$ 1,000,000	DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000	MED EXP (Any one person)	\$ 10,000	PERSONAL & ADV INJURY	\$ 1,000,000	GENERAL AGGREGATE	\$ 1,000,000	PRODUCTS - COMP/OP AGG	\$ 1,000,000		\$
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	\$																				
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			01-CI-275829-8	10/17/2016	10/17/2017	<table border="1"><tr><td>COMBINED SINGLE LIMIT (Ea accident)</td><td>\$ 1,000,000</td></tr><tr><td>BODILY INJURY (Per person)</td><td>\$ 1,000,000</td></tr><tr><td>BODILY INJURY (Per accident)</td><td>\$ 1,000,000</td></tr><tr><td>PROPERTY DAMAGE (Per accident)</td><td>\$ 1,000,000</td></tr><tr><td></td><td>\$</td></tr></table>	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000	BODILY INJURY (Per person)	\$ 1,000,000	BODILY INJURY (Per accident)	\$ 1,000,000	PROPERTY DAMAGE (Per accident)	\$ 1,000,000		\$				
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	UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						<table border="1"><tr><td>EACH OCCURRENCE</td><td>\$</td></tr><tr><td>AGGREGATE</td><td>\$</td></tr><tr><td></td><td>\$</td></tr></table>	EACH OCCURRENCE	\$	AGGREGATE	\$		\$								
EACH OCCURRENCE	\$																				
AGGREGATE	\$																				
	\$																				
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input type="checkbox"/> N/A			STOP GAP	10/17/2016	10/17/2017	<table border="1"><tr><td>PER STATUTE</td><td>OTH-ER</td></tr><tr><td>E L EACH ACCIDENT</td><td>\$ 1,000,000</td></tr><tr><td>E L DISEASE - EA EMPLOYEE</td><td>\$ 1,000,000</td></tr><tr><td>E L DISEASE - POLICY LIMIT</td><td>\$ 1,000,000</td></tr></table>	PER STATUTE	OTH-ER	E L EACH ACCIDENT	\$ 1,000,000	E L DISEASE - EA EMPLOYEE	\$ 1,000,000	E L DISEASE - POLICY LIMIT	\$ 1,000,000						
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E L DISEASE - POLICY LIMIT	\$ 1,000,000																				
B	D&O			EPP1109359	01/01/2017	01/01/2018	D&O 1,000,000														

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

MUSEUMS - NOT-FOR-PROFIT ONLY**CERTIFICATE HOLDER****CANCELLATION**

City Of Bainbridge Island
625 Winslow Way E
Bainbridge Isl, WA 98110

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Todd Hall

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